

BETTY T. YEE, BOARD MEMBER STATE BOARD OF EQUALIZATION

Serving the 8.5 million Californians of the First Equalization District,
comprised of 21 counties along the northern and central California
coast, including the entire San Francisco Bay Area.

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AUGUST NEWSLETTER

College Students and Families Breathe Sighs of Relief

Rapidly rising tuition has placed stress on many students and families concerned about their ability to afford higher education. For the 2013-14 school year, University of California (UC) and California State University (CSU) undergraduate students face no tuition increase. Base tuition will remain at \$12,192 for UC undergraduates and \$5,472 for CSU students. For California Community College students, tuition fees remain at \$46 per unit, after rising \$10 per unit during each of the past two years.

UC and CSU systems will each receive \$125.1 million more than last year. This increase in funding is in addition to the \$125 million General Fund allocation each will receive in 2013-14 for not increasing undergraduate tuition and fees in 2012-13 as required by the 2012 Budget Act.

The start of each year of college can be full of daunting challenges; in fact, especially if one lacks the money to complete courses. Thanks to the voters' approval of Proposition

30 last November, and the higher education budget for 2013-14, many students and their families will have less to fear in the coming school year.

Stafford Loan Interest Rates

While a tuition freeze comes as welcome news, finding the money to attend college and taking on what often amounts to crushing student loan debt can be another challenge facing students.

In July of this year, students who rely on subsidized Stafford Loans to help fund their education saw their interest rates double. Subsidized Stafford Loans returned to the fixed rate of 6.8 percent, after 4 years of temporary rate reductions that began in 2007. At that time, Congress reduced the interest rate for subsidized Stafford Loans to 3.4 percent, which would expire July 1, 2012. Congress subsequently extended the rate reductions for another year to end on July 1 of this year.

The Bipartisan Student Loan Certainty Act of 2013 signed into law earlier this month permanently reduces the rate to 3.9 percent and changes how rates for all Stafford Loans are determined. Additionally, it puts a limit on how high interest rates can rise. Undergraduate loans are capped at 8.25 percent and graduate loans at 9.5 percent.

Student loan rates are linked to the Federal 10-year Treasury rate and remain constant throughout the life of the loan. The new



rates are retroactive, effective for all loans distributed after July 1, 2013.

The interest rates for the current 2013-2014 academic year are:

- 3.86% for undergraduate (8.8 million undergraduates)
- 5.41% for graduate (1.5 million graduate students)

California DREAMers

The freshman population entering college this year in California will also include "DREAMers." Under the **California Dream Act of 2011**, non-California residents and undocumented students meeting certain requirements can pay in-state tuition costs to attend California's public colleges and universities rather than expensive out-of-state tuition amounts. The Act also allows DREAMers to apply for and receive private scholarships and state-funded financial assistance.

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SAN FRANCISCO
BOARD MEMBER'S OFFICE
455 Golden Gate Avenue, Suite 10500
San Francisco, CA 94102
Office: 415-557-3000
Fax: 415-557-0287

SACRAMENTO
BOARD MEMBER'S OFFICE
450 N Street, MIC: 71
Sacramento, CA 95814
Office: 916-445-4081
Fax: 916-324-2087

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Under the Act, two groups of students are affected: U.S. citizens who are not California residents but attended a CA high school for at least three years and obtained a high school diploma or its equivalency; and undocumented students who meet these same requirements but also sign an affidavit they have applied or will apply for legalized status when eligible.

California and 14 other states have enacted programs for DREAMers while Congress continues to debate the federal DREAM Act. California's Dream Act has been the model for other states such as Minnesota, New York, Wisconsin, and Indiana with respect to student financial aid. To-date, the California Student Aid Commission has received 17,769 completed 2013-14 California Dream Act applications.

California has more than 550,000 DREAMers living here, the largest number in the nation. Our state stands to gain almost \$100 billion in economic activity as DREAMers complete their college education and enter the workforce.

Higher Education Benefits Everyone

Assuring access to quality higher education has historically been a California trademark. Our universities are known and admired worldwide. Keeping college tuition affordable and giving all Californians, regardless of income or legal status, a chance to succeed reinforces our state's commitment to invest in its people and its future. A better educated populace keeps California competitive in the marketplace, increases the tax base from higher incomes, and provides stability and security for individuals and families.

Students Swap Laptops and Desktops for Smartphones and Tablets

On college campuses across the country, smart phones and tablets are taking over.

A major PC manufacturer reports a 79% plummet in earnings as consumers turn from personal computers in favor of tablets and smartphones.

Students now find laptops slow, bulky, and a nuisance to carry around. Most activities in the classroom involve note taking, which tablets can handle easily via a touchpad keyboard. Many tablets come with software programs that digitally transcribe lectures.

What about the lack of a real keyboard for typing term papers? There are many types of peripheral keyboards to choose from that allow the user to type onto a tablet.

According to a recent Ball State University survey, **73% of students reported** using a smartphone in 2012 as compared with 27% in 2009. About 30% of the university's students reported owning a tablet.



eWaste

With new technology comes an old problem – what to do with the outdated equipment.

Computer monitors, laptop computers, portable DVD players with LCD screens, and old cathode ray tube computer monitors are referred to as “covered electronic devices” or CEDs. Because these products are hazardous when discarded, a retailer can retain a three percent fee, known as the **Covered Electronic Waste Recycling** or “eWaste” fee from CED purchasers.

The Board of Equalization (BOE) collects the fee, which provides funding for the collection and recycling of these video products. Visit CalRecycle website to find organizations that recover unwanted electronics in California.

Fun Facts: the top ten most popular college majors according to the Princeton Review are:

- Business Administration
- Psychology
- Nursing
- Biology/Biological Sciences
- Education
- English Language and Literature
- Economics
- Communications
- Political Science
- Computer and Information Sciences

Fire Prevention Fee Update

Last month, the Board of Equalization (BOE) mailed out the first round of bills for the fire prevention fee for Fiscal Year 2013-14. The billings will be mailed in alphabetical order by county, and continue into November at the rate of 10,000 bills per day.

You can see the mailing schedule on the BOE website [here](#).

Bills are due 30 days from the date printed on the bill. If you believe you do not owe the fee, there is an **appeal process**.

Your payment must be postmarked by the due date, even if you are appealing the fee, to avoid penalty and interest charges.



Putting the “Equalization” in the Board of Equalization Through the Assessment Practices Survey

How much property tax you pay is based largely on the work of your county assessor’s office. California has 58 county assessors charged with establishing values for approximately 12 million properties each year.

One of the major responsibilities of the Board of Equalization (BOE) is to ensure that county property tax assessment practices are equal and uniform throughout the state. The BOE periodically reviews every county assessor’s office through an Assessment Practice Survey. The survey looks at key functions of an assessor’s office. A few areas of review include an assessor’s administration; budget and staffing; appraiser certification; assessment of real property, personal property and fixtures; and even how aircraft and vessels are assessed.

The BOE determines if the assessor’s office meets standards and properties in that county are properly assessed. Considering that property taxes are some of the largest taxes many people pay, having confidence that taxes are fairly and uniformly determined is important. The

survey includes recommendations for any improvements and also gives the assessor a chance to respond.

Survey results for every county are published on the BOE website.



Small Business Corner: Food Trucks

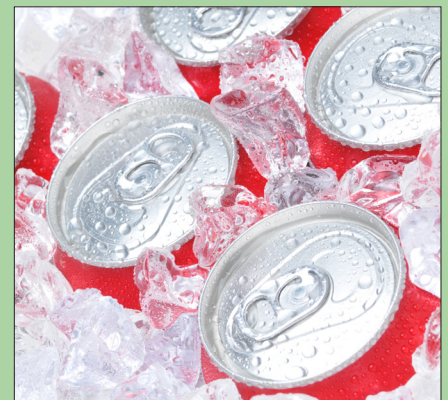
Look here each month for articles highlighting issues, tools and resources of interest to small business owners.



When the lunch bell rings, many of us today are finding our meals on wheels. Food trucks are becoming more and more popular, as consumers hit the streets to sample a wide array of exotic, convenient, and quickly prepared meals. Many magazines and newspapers are featuring

stories about the latest food truck offerings, and some communities are organizing special food truck zones and events.

Mobile food vendors are required to register with the Board of Equalization (BOE), file sales and use tax returns, and maintain books and records. The BOE



does not want mobile food vendors or consumers to get indigestion from trying to figure out the sales tax rules and regulations governing food trucks. To assist food truck owners, the BOE **website** menu features a number of **helpful resources** specific to the dining industry, including **food trucks**. **Publication 22** – “Tax Tips for the Dining and Beverage Industry” helps business owners learn what they need to know to navigate California’s Sales and Use Tax Law and raises consumers’ awareness about taxes that may affect them.

Redesigned Board of Equalization Website Improves User Experience

The Board of Equalization (BOE) **website** packs a tremendous amount of information, news, services, forms, publications, and more. This month, the website debuts a refreshed look-and-feel for a better user experience. The redesigned home page features improved organization and navigation with clearly defined categories of useful topics.

The website helps make conducting business with the BOE easier, since most information you need is online and available 24/7. Often, a trip to the website can save you a trip to a district office. You can even take **online classes** to learn about sales and use tax, eFiling, and more at your convenience.

The BOE welcomes your feedback about the website through a **survey** located on the home page. The survey includes a section for your comments and suggestions so the BOE can continually make the website better to serve you.



Basic Sales and Use Tax Seminars and eFile Clinics

The Board of Equalization (BOE) offers free Basic Sales and Use Tax (BSUT) seminars and eFile clinics in different languages including English, Spanish, Chinese, Vietnamese and others to provide in-person support to taxpayers. A full list of **BSUT classes** and **eFile clinics** being offered in the First Equalization District can be found on the website.

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| September 17 | Basic Sales and Use Tax Seminar in English (San Jose) |
| October 15 | Basic Sales and Use Tax Seminar in Mandarin/Cantonese (San Jose) |
| October 16 | Basic Sales and Use Tax Seminar in English (Oakland) |
| October 22 | Basic Sales and Use Tax Seminar in English (Santa Rosa) |
| October 23 | Basic Sales and Use Tax Seminar in Spanish (Santa Rosa) |
| October 24 | Basic Sales and Use Tax Seminar in English (San Jose) |
| October 29 | Basic Sales and Use Tax Seminar in English (Fairfield) |
| October 29 | eFile Clinic in English (Oakland) |
| October 30 | eFile Clinic in English (Oakland) |
| October 31 | eFile Clinic in English (Oakland) |
| October 31 | eFile Clinic in English and Spanish (Santa Rosa) |

Online Tutorials Available 24/7

Want more information on how to eFile with the BOE? A helpful **eFile Video Tutorial** is now available to assist taxpayers in fulfilling their tax obligation.

Don't have time to make a Basic Sales and Use Tax seminar in person? **Online BSUT tutorials** are now available to taxpayers, providing the information in a self-paced environment.

